

Chief DS

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ED/EC M-281

November 21, 1957

EXECUTIVE COMMITTEE OF THE
ECONOMIC DEFENSE ADVISORY COMMITTEE

MINUTES

2:30 p.m. Friday, November 15, 1957
Room 814 District National

Attendance:

MDAC

Mr. Hale, Chairman
Mr. Kramer, Executive Secretary
Mrs. Huver, Committee Secretary

CIA 25X1A9a

Mr. [REDACTED]

Commerce

Mr. Hockersmith

Defense

Mr. Nichols

ICA

Mr. Slaght

State

Mr. Wright
Mr. Hamilton

Treasury

Mr. Pollak

Agenda:

1. Review of Draft Papers on Criteria and Administrative Principles
2. Changed Concepts of List II and List III

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1. Review of Draft Papers on Criteria and Administrative Principles

Due to the fact that the State member was called from the meeting, review of the draft memoranda, which the Chairman had prepared on "Control Criteria" and which the State member had prepared on "COCOM Administrative Principles", was postponed until the Executive Committee meeting to be held on November 19th.

2. Changed Concepts of List II and List IIIDecision

The Chairman will draft a paper to EDAC based on the discussion and alternatives proposed at this meeting. This draft will be reviewed by the Executive Committee at the meeting of November 19th.

Discussion

The members used, as a basis for discussion of proposals for changes in List II and List III, the draft dated September 17, 1957, which Mr. George of Commerce had prepared on the over-all control problem, and the reports of the Ad Hoc Subcommittee on List Review.

All members accepted the Ad Hoc Subcommittee's finding that there is a reasonable basis for proposing the elimination of List II, with some of the items thereon being transferred to List I. Some of the others would be transferred to List III, with requirements for preshipment licensing and prompt reporting.

There was a discussion of whether the U.S. could agree to a change in the rule of unanimity in COCOM, and it was felt that the following alternatives should be sent to EDAC for consideration:

(1) Continue to accept the unwritten rule of unanimity as the basis for list review operations.

(2) Propose the requirement of unanimous agreement for List I changes and deletions and majority rule for additions and deletions to the Watch List, with the understanding that any government may go to the Consultative Group if they are unable to accept the decision of COCOM.

The members discussed the last paragraph of Mr. George's draft of 9/17/57 which states "Complete plants, major subunits thereof, specially designed equipment and advanced technical data and services should be embargoed to the Sino-Soviet bloc where they directly relate to advancing significantly the development or production of double-asterisked items on the Watch List". One possible example of such a plant would be polyethylene, and the Commerce member will furnish other examples.

Some of the members agreed with this proposal as a means of preventing the bloc from becoming independent with respect to some of the Watch List items. Other members felt it would not be negotiable and, therefore, should not be proposed. These two alternatives will be included in the memorandum for EDAC consideration.

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